

SECTION 172(1) STATEMENT

The Directors acknowledge that they must act in a way they consider, in good faith, is most likely to promote the success of the Group for the benefit of its members, while also considering the broad range of stakeholders who interact with and are impacted by our business. Throughout the year, while discharging their duties, section 172(1) requires directors to have regard, amongst other matters, to the:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

The Directors consider the following to be the Group's key stakeholders:

Shareholders

The Group is a wholly-owned subsidiary of GMO LLC, a private partnership whose sole business is investment management. The Group benefits from the infrastructure and policies of the global GMO business and aligns to an overall willingness to act and communicate our investment insights with conviction for the benefit of our clients, which differentiates us from competitors who may temper advice to limit career risk and firm conflicts.

Employees

The Company regularly engages with employees through various initiatives. Notably, Company employees, together with all GMO LLC employees, participate in regular "Town Hall" meetings, where information about the GMO LLC group strategic direction, recent financial results and other information is broadly disseminated. Such meetings include active Q&A sessions to encourage employee engagement and gather feedback. The Group is focused on employee wellbeing and conducts periodic surveys focused on culture and engagement. In addition, the Group invests in its people, across all career stages, with the same long-term view that is brought to investing on behalf of our clients. The Group offers learning and development opportunities for all employees and seeks to foster an environment that encourages and supports continuous growth. The Group offers competitive compensation and benefits, and strives to provide a flexible working environment in which all employees are able to excel.

Customers

The Group is committed to upholding the Financial Conduct Authority's Treating Customers Fairly ("TCF") objectives. The Company aims to treat clients fairly and deliver high quality services which meet their expectations through their relationship with the GMO LLC group.

Both the Company and the GMO LLC group value client relationships and collaborate with clients over the long term to provide the investment results, research and candid advice they need to meet their goals. We strive to offer clients good, honest advice under all circumstances, regardless of the potential impact to our bottom line. We believe that our patience – taking a longer-term view, even if it is out of line with market consensus – provides tremendous advantages for our investors.

Community and environment

We actively contribute to our communities, both as a firm and in supporting employees' individual interests. Both GMO and the Group are passionate about combating the impacts of climate change and sponsor many company-wide initiatives to reduce environmental impact. Programmes range from initiatives focused on recycling and reduced use of plastics, to making an annual donation to offset the carbon produced by employees' travel.